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Deutsche Bank Still Discriminating in Virginia, Maryland, and Ohio

HOME, National Fair Housing Alliance, and Partners Charge Deutsche Bank with Housing Discrimination

Today, the National Fair Housing Alliance (NFHA), Housing Opportunities Made Equal (HOME) of Virginia, and the Toledo Fair Housing Center announced new evidence in additional cities and a second federal housing discrimination complaint against Deutsche Bank. This complaint, which will be filed with the U.S. Department of Housing and Urban Development, is the result of an investigation into how Deutsche Bank is failing to maintain and market foreclosed homes it owns (also known as real estate owned or REO properties) in African-American and Latino neighborhoods as compared to homes it owns in white neighborhoods in **Hampton Roads, Virginia, Baltimore, Maryland, and Toledo, Ohio.**

“We filed our first complaint against Deutsche Bank in February and we’ve been waiting for Deutsche to reach out and address these issues,” said Shanna L. Smith, President and CEO of the National Fair Housing Alliance. “Adding to the evidence we found in Chicago, Memphis, and metro-Washington, DC, we’ve continued our investigations and found more and more examples of poorly maintained REO properties, this time in Maryland, Virginia, and Ohio.” Failing to maintain homes based on the racial or ethnic composition of the neighborhood violates the federal Fair Housing Act.

NFHA, HOME of Virginia, and the Toledo Fair Housing Center described their findings in Hampton Roads, Baltimore, and Toledo in a news conference today. In all cities, the groups found significant amounts of trash, overgrown and invasive plants, unsecured doors, and holes in the building structures of homes in communities of color, while rarely finding the same problems in white neighborhoods.

NFHA and its member agencies are represented by Relman, Dane & Colfax PLLC located in Washington, D.C. Detailed statistics and photos are available at www.nationalfairhousing.org.

“It’s time the federal banking regulators step in to determine if Deutsche Bank, Bank of America, and US Bank should be able to borrow money from the federal discount window while they contribute to blight and destabilization of homeownership in America,” said Shanna L. Smith, President and CEO of the National Fair Housing Alliance.

NFHA has also filed complaints regarding the maintenance and marketing of foreclosed homes against Bank of America, US Bank, and Safeguard, the nation's largest property preservation company. NFHA's investigation of bank-owned homes in major U.S. cities nationwide reveals a striking pattern of discrimination in the treatment of REO properties. These banks maintain and market foreclosed properties in white communities in a far superior manner to foreclosed properties in communities of color. Many of the neighborhoods investigated overlap. Added together, the blight and damage caused to these communities by the banks is compounded. Health and safety risks increase because of accumulated trash and overgrown lawns attracting rodents and insects, and broken windows and doors inviting vandalism and the growth of mold.

In June 2013, Deutsche Bank settled a lawsuit with the City of Los Angeles for \$10 million, which accused the bank of allowing hundreds of foreclosed properties to fall into slum conditions, leading to the destabilization of communities.

The Fair Housing Act makes it illegal to discriminate based on race, color, national origin, religion, sex, disability, or familial status, as well as the race or national origin of residents of a neighborhood. This law applies to housing and housing-related activities, which include the maintenance, appraisal, listing, marketing, and selling of homes.

CITY-SPECIFIC INFORMATION

Hampton Roads, Va.:

- 80 percent of Deutsche Bank properties in African-American communities had 10 or more deficiencies, compared to none in white communities.
- 80 percent had damaged siding and 60 percent had holes in the structure and broken gutters, compared to none in white communities.
- 80 percent had substantial trash and overgrown grass, compared to 20 percent (trash) and none (overgrown grass) in white communities.

“It's amazing that an institution like Deutsche Bank with such enormous resources can't conduct basic maintenance on homes in African-American neighborhoods in Hampton Roads,” said **Heather Crislip, President and CEO of Housing Opportunities Made Equal of Virginia, Inc.** “Deutsche Bank's homes have holes in the structure, broken gutters, trash everywhere. Deutsche Bank has played a role in the destruction of our neighborhoods; now it needs to step up and take some responsibility to repair them.”

Toledo, Ohio:

- Half of Deutsche Bank properties in communities of color had 10 or more deficiencies compared to none in white communities.
- Two-thirds had damaged windows, compared to only 17 percent in white communities.

“Broken and boarded windows were a huge problem in Deutsche Bank's properties in Toledo's African-American neighborhoods,” said Michael Marsh, President and CEO of the Toledo Fair Housing Center. “We also found hanging gutters, damaged fences, and damaged steps. This has terrible consequences for the neighbors who still own their homes, and will inevitably have trouble refinancing or obtaining homeowners insurance because of the deteriorating properties next door. Deutsche Bank needs to fix this mess.”

Baltimore, Md.:

- 30 percent of Deutsche Bank properties in communities of color had unsecured or broken doors, compared to 11 percent in white communities.
- 44 percent had mold on the property, compared to 22 percent in white communities.
- 48 percent had overgrown grass or leaves and 39 percent had overgrown or dead shrubbery compared to none in white communities.

“Mold, trash, overgrown plants, broken doors – all of these things are serious health hazards for Baltimore residents,” said Shanna L. Smith, President and CEO of the National Fair Housing Alliance. “How can Deutsche Bank treat communities of color like this? It isn’t acting in the best interest of these neighbors whose health and livelihood are at risk, and it certainly isn’t acting in its best profit interest either. Deutsche Bank as trustee is responsible under the Fair Housing Act.”

[Housing Opportunities Made Equal of Virginia, Inc.](#)

Housing Opportunities Made Equal of Virginia, Inc. (HOME) was founded in 1971 with its core mission of ensuring equal access to housing for all people. HOME investigates housing discrimination and provides support for discrimination victims. HOME is a HUD-approved housing counseling agency that helps first-time homebuyers and assists homeowners to avoid foreclosure. HOME also conducts policy and research initiatives that expand housing opportunity.

[National Fair Housing Alliance](#)

Founded in 1988, the National Fair Housing Alliance is a consortium of more than 220 private, non-profit fair housing organizations, state and local civil rights agencies, and individuals from throughout the United States. Headquartered in Washington, D.C., the National Fair Housing Alliance, through comprehensive education, advocacy and enforcement programs, provides equal access to apartments, houses, mortgage loans, and insurance policies for all residents in the nation.

[Toledo Fair Housing Center](#)

The Toledo Fair Housing Center’s mission is to eliminate practices of housing discrimination and expand equal housing opportunities. In fulfilling that mission, the Center has set many precedents and increased housing opportunities locally and nationally. The Center has been a leader in fair housing enforcement, having investigated over 11,000 complaints of discrimination and recovered over \$30 million in damages.

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